

FORM
2
Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

Document Number:
400043784
Plugging Bond Surety
20040083

3. Name of Operator: PIONEER NATURAL RESOURCES USA INC 4. COGCC Operator Number: 10084

5. Address: 1401 17TH ST STE 1200
City: DENVER State: CO Zip: 80202

6. Contact Name: Georgina Kovacic Phone: (303)675-2611 Fax: (303)294-1251
Email: georgina.kovacic@pxd.com

7. Well Name: Nimbus Well Number: 43-4

8. Unit Name (if appl): Cottontail Pass Unit Number: COC59968A

9. Proposed Total Measured Depth: 2310

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 4 Twp: 33S Rng: 66W Meridian: 6
Latitude: 37.199000 Longitude: -104.779500

Footage at Surface: 2270 FNL/FSL FSL 1080 FEL/FWL FEL

11. Field Name: Purgatoire River Field Number: 70830

12. Ground Elevation: 7340 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 07/07/2008 PDOP Reading: 2.3 Instrument Operator's Name: R. Coberly

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 450 ft

18. Distance to nearest property line: 136 ft 19. Distance to nearest well permitted/completed in the same formation: 1287 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Raton/Vermejo	RT-VJ	NA		NA

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20040084

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No Surface Owners Agreement Attached or \$25,000 Blanket Surface Bon \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
see attached

25. Distance to Nearest Mineral Lease Line: 2400 ft 26. Total Acres in Lease: 2423

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite

Method: Land Farming Land Spreading Disposal Facility Other: drilling pit

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	12+3/4	12+3/4	33.38	6			
SURF	11	8+5/8	24	570	119	570	0
1ST	7+7/8	5+1/2	15.5	2,310	342	2,310	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments Surface casing exception required for 570 ft due to the COGCC requiring a surface casing depth of 765 ft, this would leave behind ~10ft of net Raton ~40% of Net TR Coal. Water well is 4824 ft away and the receipt number is 3609192. This is a refile all conditions as previously submitted and approved.

34. Location ID: 413846

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Georgina Kovacik

Title: Engineering Tech Date: 3/29/2010 Email: georgina.kovacik@pxd.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin Director of COGCC Date: 4/21/2010

API NUMBER
05 071 09768 00

Permit Number: _____ Expiration Date: 4/20/2012

CONDITIONS OF APPROVAL, IF ANY: _____

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

1) Provide 48 hour notice of MIRU to John Duran at 719-846-4715. 2) Provide cement coverage of production casing from TD to surface casing shoe or above. Verify coverage with cement bond log. NOTE: There are 2 water wells from ½-mile to 1-mile of the proposed well location with bottom hole elevations deeper than the proposed surface casing setting depth that may be completed in coal seam(s) of interest for this well (503' @3500' S and 600' @4800' S). Exception for 570' of surface casing granted, otherwise 760' of surface casing would be needed to cover 50' below all water wells within a 1-mile radius. 3) Immediately cease operations and notify the COGCC in the event of any operational problem that could impact water wells in the area.

Attachment Check List

Att Doc Num	Name	Doc Description
2110057	SURFACE CASING CHECK	LF@2447134 2110057
400043861	LEGAL/LEASE DESCRIPTION	LF@2443467 400043861
400043862	30 DAY NOTICE LETTER	LF@2443468 400043862
400043863	CONSULT NOTICE	LF@2443469 400043863
400043864	SURFACE AGRMT/SURETY	LF@2443470 400043864
400043865	WELL LOCATION PLAT	LF@2443471 400043865
400050774	WAIVERS	LF@2443472 400050774
400050777	WAIVERS	LF@2443473 400050777
400051252	FORM 2 SUBMITTED	LF@2443474 400051252

Total Attach: 9 Files